

Commonwealth of Kentucky
Office of Insurance - Agent Licensing Division
P. O. Box 517 - Frankfort, Ky. 40602
502-564-6004 <http://doi.ppr.ky.gov/kentucky/>

FINANCIAL RESPONSIBILITY LETTER OF CREDIT
(Form 99-2)

This form is available only to financial institution representatives. If you are an authorized representative, please send your written request for this form to:

Kentucky Office of Insurance
Agent Licensing Division
Attn: Financial Responsibility
P. O. Box 517
Frankfort, KY 40602

Or you may submit your written request via e-mail to:

KOIAgentLicensingMail@ky.gov

A Letter of Credit may be used to satisfy financial responsibility requirements for licensees, as required by KRS 304.9-105, 304.9-330, 304.10-140, and 304.15-700. This form ensures that the licensee has caused the financial institution to establish an irrevocable letter of credit to an account of the Executive Director, Office of Insurance, in the sum of at least the statutorily required amount for the sole purpose of serving as a deposit of cash with the Office of Insurance in demonstration that the licensee is financially responsible to exercise the license in Kentucky. The letter of credit shall be payable only upon the order of the Executive Director certifying that the licensee has caused loss or injury to persons as the result of erroneous acts or failure to act in his or her business under the license.

It is a condition of the letter of credit that it shall be automatically extended for an additional period of one (1) year from the present or each future expiration date unless sixty (60) days prior to such date the financial institution shall notify the Office of Insurance and the licensee that the financial institution elects not to renew this letter of credit for such additional period. Upon receipt by the Office of such notice, the Executive Director may draw on the financial institution prior to the expiration date, by means of the Executive Director's draft on the financial institution for an amount not to exceed the unused balance of this letter of credit.

Please visit our Web site at <http://doi.ppr.ky.gov/kentucky/> to confirm that the Office has received completed Form 99-2 and entered it into the Office records for the named licensee.